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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/12/07

SPONSOR Gutierrez LAST UPDATED \_\_\_\_\_ HB 1007

SHORT TITLE Dona Ana Community Action Agency SB \_\_\_\_\_

ANALYST Propst

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$100.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

### SUMMARY

#### Synopsis of Bill

House Bill 1007 appropriates \$100.0 for Dona Ana County to contract with a community action agency for services.

### FISCAL IMPLICATIONS

The appropriation of \$100.0 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the General Fund.

### SIGNIFICANT ISSUES

HB 1007 appropriates \$100.0 for the Community Action Agency of Southern New Mexico (CAASNM) to provide operating funds for the Tres Manos Program. Tres Manos is a training and a micro-enterprise development program targeting low-income families living in the Dona Ana County's colonias. The program seeks to increase family resources to improve quality of life. The focus of the program is skill development in the textile arts including sewing and spinning. Job creation for program participants is the ultimate goal of the program.

The training programs include: (1) learning the art of weaving; (2) learning the many facets of clothing construction; (3) developing the ability to spin yarn; (4) developing the ability to deal successfully with life situations; and (5) learning how to run a micro-enterprise business successfully.

There is also a micro-enterprise component where women participants sell the clothing they make in a boutique in Mesilla. Seventy percent of the sales price goes to the women and the remaining 30% goes to CAASNM for operating costs and to purchase additional materials.

Currently, the Tres Manos Program is not self supporting although that is the eventual goal of CAASNM. The \$100.0 appropriated in HB 1007 will pay for operating expenses of the training and micro-enterprise programs, such as purchasing materials, paying the weaving instructor, rental costs and utilities, and to fund an increased sales and marketing campaign. The marketing campaign is to let more people in the community know about the boutique in an effort to increase sales. This \$100.0 will help move toward the goal of self sufficiency.

#### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Tres Manos Program could be in jeopardy due to its current deficit funding. Loss of this program would further hurt colonias families already facing difficult prospects.

WEP/csd